REMARKS/ARGUMENT

Claims 1-10, 19-35, 38-76 and 112-116 are pending in the present application, with claims 1 and 74-76 amended herein. Claims 11-18, 36, and 37 were previously withdrawn, while reserving the right to rejoin the claims following the indication of allowable subject matter in claims 1-10, 19-35, and 38-76. Claims 77-111 were previously cancelled.

Support for the amended claims can be found, for example, in FIGS. 6, 9, 10 and paragraphs [0039], [0042], [0047], [0052], [0055]-[0058], and [0061]-[0075] of pre-grant publication US 2003/0009420. No new matter has been added.

§ 101 Rejection

In the November 14, 2008 non-final Office Action, claim 75 was rejected under 35 U.S.C. § 101 because the claimed invention is alleged to be directed to non-statutory subject matter.

As stated in the Office action, 35 U.S.C. § 101 allows obtaining a patent for "any new and useful...machine...or any new and useful improvement thereof...." The Office action alleges that "a proper process must be tied to another statutory class". (*See* Office action, at 2).

The Applicant respectfully disagrees with the non-statutory subject matter rejections. However, to further prosecution, independent claim 75 has been amended to recite, *inter alia*, (i) "receiving via a document scanning system a check"; (ii) "receiving via the document scanning system an invoice"; (iii) "obtaining with a first computer an image of the check"; (iv) "obtaining with the first computer or a second computer an image of the invoice"; (v) "transmitting the image of the check and the image of the invoice to a payor financial institution computer"; and (vi) "transmitting the image of the check to a payee financial institution computer". For at least these reasons, the non-statutory subject matter rejection of amended claim 75 should be withdrawn.

Obviousness Rejection of Claims 1-10, 19-35, 38-76, and 112-116 Based on York in view of Geer and Norris

In the November 14, 2008 non-final Office Action, claims 1-10, 19-32, 34-48, 71-76, 115, and 116 were rejected under 35 U.S.C. § 103(a) as being unpatentable over York US 5,926,392 ("York") in view of Geer US 5,930,778 ("Geer"). Claims 7-10, 19-33, 49-70, and 112-114 were rejected under 35 U.S.C. § 103(a) as being unpatentable over York and Geer as applied to claims 1 and 48 above, and in further view of Norris US 6,105,007 ("Norris").

To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981 (CCPA 1974). Furthermore, the Examiner bears the initial burden to factually support and establish *prima facie* obviousness under 35 U.S.C. § 103. *See, e.g., In re Rijckaert*, 9 F.3d 1531, 1532, 28 USPQ2d 1955, 1956 (Fed. Cir. 1993); *In re Oetiker*, 977 F.2d 1443, 1445 (Fed. Cir. 1992). The Federal Circuit has stated that "rejections on obviousness cannot be sustained with mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." M.P.E.P. § 2142, at 2100-128 (Rev. 6, Sept. 2007) *citing In re Kahn*, 441 F.3d 977, 988, 78 USPQ2d 1329, 1336 (Fed. Cir. 2006) and *KSR*, 550 U.S. at ___ , 82 USPQ2d at 1396 (quoting Federal Circuit statement with approval).

The Office Action alleges that "York discloses the invention substantially as claimed (col. 1, lines 50 to col. 2, lines 65)", followed by allegations of what York does not disclose. (*See* Office Action, at p. 3). That is, the Office Action improperly provides mere conclusory statements for numerous claim elements from the independent claims without providing any articulated reasoning as to what specific elements are alleged to be disclosed by York. Furthermore, the Office Action fails to provide some articulated reasoning for the rejection of numerous dependent claims. For at least these reasons, the obviousness rejections of claims 1-10, 19-35, 38-76, and 112-116 are improper and should be withdrawn.

Furthermore, review of the citations to York indicates that it fails to disclose or suggest the claimed invention. York describes processing a batch of transactional pairs of documents including invoices and checks with scanning cameras to provide front and back images for the reordering and reorienting of the batch of transactional pairs of documents. (*See* Abstract; column 1, lines 42-46). York further describes a document transport conveys transactional pairs

of documents along a selected path of movement (column 2, lines 7-9) and a MICR module that determines the orientation of documents having magnetic markings, such as checks (column 11, lines 52-55). That is, while York may disclose a scanning camera for reordering and reorienting transactional pairs of documents, <u>it is limited to determining the orientation of the check or invoice</u>. Stated another way, York appears to limit its disclosure to "reordering and reorienting a batch of transactional pairs of documents." (*See, e.g.*, column 1, lines 41-45.)

Geer does not overcome the deficiencies of York. Geer describes a system for expedited processing of checks received by a payee with an accompanying payment form. (*See* column 1, lines 19-22). Geer discloses an electronic scanning means that scans and extracts necessary data from a financial instrument including the data of the <u>magnetic character recognition (MICR) line</u> of the instrument, adds necessary data such as the amount to the electronic information associated with each check, and sends this electronic information to the payee's depository bank. (*See* column 4, lines 54-63). Geer further describes that <u>information from checks is extracted and converted into electronic form</u> for sorting, processing and transmission into and through the payment system. (*See* column 6, lines 41-43). Geer then describes how the check advances to scanning and processing and how the data collected will typically include the magnetic character recognition (MICR) data from the MICR lines of the checks. (*See* column 7, lines 38-47). Geer also describes how the amount of the check and a date will be collected (optionally verified by a human operator) and included with the electronic record to be associated with each check. (*See* column 7, lines 47-50). That is, Geer does not disclose or suggest extracting or obtaining information from images of documents. Rather, Geer discloses scanning to extract MICR data, collecting an amount of a check and date, and converting data to electronic form. Thus, Geer **fails** to disclose or suggest (i) extracting field information <u>from video images</u> of an invoice and check, (ii) obtaining a transaction amount <u>from an image of a check</u>, (iii) obtaining account information <u>from an image of an invoice</u>, or (iv) extracting an amount of a check from an image of the check.

Independent Claim 1

Amended claim 1 recites, *inter alia*, an automated payment system including: (i) a document scanning system having an image scanner adapted to obtain at least one video image

of an invoice and at least one video image of a check, (ii) a first computer at the payor bank communicatively coupled to the document scanning system and adapted to receive the at least one video image of the check and the at least one video image of the invoice, (iii) at least one of the document scanning system, the first computer, or a combination thereof configured to extract field information from the video images of the invoice and check, and (iv) the field information including the amount of the check.

As discussed above, while York may disclose a scanning camera for reordering and reorienting transactional pairs of documents, it is limited to determining the orientation of the check or invoice. Geer does not overcome the deficiencies of York. Geer describes that information from checks is extracted and converted into electronic form for sorting, processing and transmission into and through the payment system. (*See* column 6, lines 41-43). Geer then describes how the check advances to scanning and processing and how the data collected will typically include the magnetic character recognition (MICR) data from the MICR lines of the checks. (*See* column 7, lines 38-47). Geer also describes how the amount of the check will be collected (optionally verified by a human operator) and included with the electronic record to be associated with each check. (*See* column 7, lines 47-50). That is, Geer does not disclose or suggest extracting or obtaining information from video images of checks or invoices. Rather, Geer discloses scanning to extract MICR data, collecting an amount of a check and date, and converting data to electronic form. Thus, Geer **fails** to disclose or suggest extracting field information from video images of an invoice and check, as recited in independent claim 1.

For at least these reasons, York, Geer, or any combination thereof, does not disclose or suggest amended claim 1. Thus, the rejection of claim 1 should be withdrawn and the amended claim should be allowed.

Independent Claim 48

Claim 48 recites, *inter alia*, a method of debiting a first financial account and crediting a second financial account including: (i) scanning a check and an invoice with an image scanner to generate an electronic image of the check and an electronic image of the invoice, (ii) obtaining

a transaction amount from the image of the check, and (iii) obtaining account information from the image of the invoice.

As discussed for claim 1, York may disclose a scanning camera for reordering and reorienting transactional pairs of documents, but it is limited to determining the orientation of the check or invoice. Geer does not overcome these deficiencies. Geer describes that information from checks is extracted and converted into electronic form for sorting, processing and transmission into and through the payment system. (*See* column 6, lines 41-43). Geer then describes how the check advances to scanning and processing and how the data collected will typically include the magnetic character recognition (MICR) data from the MICR lines of the checks. (*See* column 7, lines 38-47). Geer also describes how the amount of the check will be collected (optionally verified by a human operator) and included with the electronic record to be associated with each check. (*See* column 7, lines 47-50). That is, Geer does not disclose or suggest obtaining information from images of documents. Rather, Geer discloses scanning to extract MICR data, collecting an amount of a check and date, and converting data to electronic form. Thus, Geer **fails** to disclose or suggest obtaining a transaction amount <u>from the image of a check</u> and obtaining account information <u>from the image of an invoice</u>, as recited in independent claim 48.

For at least these reasons, York, Geer, or any combination thereof, does not disclose or suggest claim 48. Thus, the rejection of claim 48 should be withdrawn and the claim should be allowed.

Independent Claim 74 and 76

Amended claim 74 recites, *inter alia*, an automated payment system including: (i) a document scanning system or a plurality of document scanning systems adapted to obtain at least one image of at least one of an invoice and a check, (ii) a first computer adapted to debit a customer's account for an amount of the check, and (iii) the amount of the check is extracted from an image of the check.

As discussed for claims 1 and 48, York may disclose a scanning camera for reordering and reorienting transactional pairs of documents, but it is limited to determining the orientation of the check or invoice. Geer does not overcome these deficiencies. Geer describes that information from checks is extracted and converted into electronic form for sorting, processing and transmission into and through the payment system. (*See* column 6, lines 41-43). Geer then describes how the check advances to scanning and processing and how the data collected will typically include the magnetic character recognition (MICR) data from the MICR lines of the checks. (*See* column 7, lines 38-47). Geer also describes how the amount of the check will be collected (optionally verified by a human operator) and included with the electronic record to be associated with each check. (*See* column 7, lines 47-50). That is, Geer does not disclose or suggest obtaining information from an image of a check. Rather, Geer discloses scanning to extract MICR data, collecting an amount of a check and date, and converting data to electronic form. Thus, Geer **fails** to disclose or suggest an amount of a check extracted from an image of the check, as generally recited in amended claims 74 and 76.

For at least these reasons, York, Geer or any combination thereof, does not disclose or suggest amended claims 74 and 76. Thus, the rejection of claims 74 and 76 should be withdrawn and the amended claims should be allowed.

Independent Claim 75

Amended claim 75 recites, *inter alia*, a method of debiting a first financial account and crediting a second financial account including: (i) receiving via a document scanning system a check drawn on the first financial account and having a transaction amount, (ii) receiving via the document scanning system an invoice referencing the second financial account, (iii) obtaining with a first computer an image of the check, (iv) obtaining the transaction amount from the image of the check, and (v) obtaining with the first computer or a second computer an image of the invoice.

As discussed for claims 1, 48, 74, and 76, while York may disclose a scanning camera for reordering and reorienting transactional pairs of documents, it is limited to determining the orientation of the check or invoice. As further discussed for claims 1, 48, 74, and 76, Geer does

not overcome these deficiencies of York. Thus, Geer **fails** to disclose or suggest obtaining a transaction amount from the image of a check, as generally recited in amended claim 75.

For at least these reasons, York, Geer, or any combination thereof, does not disclose or suggest amended claim 75. Thus, the rejection of claim 75 should be withdrawn and the amended claim should be allowed.

Dependent Claims 2-10, 19-35, 38-47, 49-73, and 112-116

Claims 2-10, 19-35, 38-47, 49-73, and 112-116, which depend either directly or indirectly from one of independent claims 1, 48, and 74-76, are not and cannot be disclosed or suggested by York, Geer, Norris, or any combination thereof for at least the reasons discussed above in connection with the respective amended independent claims.

Furthermore, York **fails** to disclose or suggest additional elements recited in the dependent claims. For example, claims 38 and 71 recite that the document scanning system transports and scans the check and the invoice such that a longer edge of the document is perpendicular to the direction of transport. Notably, York teaches one of skill in the art that York's system is incapable of conveying with a longer edge of the document perpendicular to the direction of transport because of York's use of a MICR reader, which is based on narrow edge leading movement. As another example, the rejection of claims 20, 64-66, and 112-114 based on York and Geer in further view of Norris does not overcome the deficiencies discussed for the obviousness rejections of claims 1, 48, and 74-76. The Office Action cites to Norris column 4, lines 5-15, which discloses the printing of a check by a printer housed in a kiosk. Norris does not disclose a printer operable to print a substitute check from an image of a check, as recited in selected claims.

For at least these reasons, the rejection of claims 2-10, 19-35, 38-47, 49-73, and 112-116, should be withdrawn and the claims should be allowed.

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CONCLUSION

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Applicant submits that claims 1-10, 19-35, 38-76 and 112-116 are in condition for allowance and action toward that is respectfully requested. If there are any matters which may

be resolved or clarified through a telephone interview, the Examiner is requested to contact the

undersigned attorney at (312) 425-8552.

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It is believed that no additional fees are due; however, should any additional fees be

required (except for payment of the issue fee), the Commissioner is authorized to deduct the fees

from the Nixon Peabody Deposit Account No. 50-4181, Order No. 247171-000290USPT.

Respectfully submitted,

Dated: February 17, 2009

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